



## **Peabody Werden Request for Proposals**

### **SCOPE OF WORK**

The East LA Community Corporation (ELACC) is seeking proposals from community serving applicants with a history of service to underserved communities, especially those of East Los Angeles and Boyle Heights to identify a financially and technically capable organization to enter into an agreement with ELACC to fully rehabilitate, occupy and provide services at the Peabody Werden House (House) located at 2400 E 1<sup>st</sup> Street located in the Boyle Heights community of the City of Los Angeles. Upon completion of the rehabilitation, the selected organization will be expected to remain connected to the project and provide neighborhood-based services at this location directly or through an identified and approved third-party provider ("Operator"). The Operator may provide affordable housing as a possible service or other community service.

The services to be provided must meet a demonstrated critical need or needs for the surrounding neighborhood and should be well documented in the proposal.

### Property

While not on any recognized historic register, the Peabody Werden House was built in the late 1890's and represents the Queen Anne Victorian architectural style of the time. All proposals must consider the adaptive reuse of the House and a thorough understanding of the requirements to maintain the look, feel, exterior design, and color palette of the original building.

There is a side alley off E 1<sup>st</sup> Street that would provide access for cars to park on site and adjacent to the House. It is estimated that approximately 8-10 cars would fit in the back of the property at any given time.

Structurally, it is a two-story wood frame house with approximately 3,953 square feet of usable space built on approximately 0.29 acres of land. There is significant deferred maintenance. The building is suitable to be remodeled into an office configuration with community rooms or to return to its former configuration of four residential units. Any rehabilitation of the building would need to include accessibility upgrades as part of obtaining the building permit so that all community members may access the space.

### Budget Estimates

Based on preliminary analysis, ELACC estimates the rehabilitation of the House will cost approximately \$3,200,000. There are expenses related to entitlements, architecture, civil engineering, accessibility, construction manager and permitting. The House needs to be “entitled” consistent with its end use. The proposed entitlement may be commercial use or residential use or other use. Depending on the funding sources used, the rehabilitation may require the payment of prevailing wages or local hire. Due diligence should be conducted by the proposer to confirm all rehabilitation costs and provide those estimates in the proposal response.

### Project Walk Through

ELACC will conduct a project walk through at the House for potential applicants to see the condition of the building. Attendees on the walk through will need to wear sturdy closed toe shoes and a face mask.

The walk through is tentatively scheduled for May 28, 2024 from 2pm – 4pm at the Peabody Werden building located at 2400 E. 1<sup>st</sup> Street.

### Capital Funding Resources

ELACC has been actively pursuing grant funding for this project, but to date, no grants have been awarded. It is the expectation of ELACC that the selected development partner will provide its own resources. It is also possible that the applicant may pursue joint funding opportunities with ELACC.

### Ground Lease

The current owner of the underlying land is the Los Angeles County Metropolitan Transportation Authority (Metro) which rents the land to ELACC to store the House in its current condition. The existing agreement between ELACC and Metro consists of an Option to Ground Lease the land which can convert to a Ground Lease in the future.

ELACC anticipates that a future Ground Lease will be entered into once an Operator is selected. Metro will need to approve the Ground Lease through a formal Metro Board action.

The Operator ultimately selected as a result of this RFP will enter into a long-term agreement with ELACC. It is possible that ELACC can transfer its interest in the Ground Lease and in the House to the Operator, if approved by the Metro board.

### Submission Requirements

1. Cover Page and Letter of Introduction (2 pages maximum)

The letter of introduction should include the Respondent's legal name and address and state whether the Respondent is an individual, partnership, corporation, joint venture, special-purpose entity, or other entity. The letter should also provide the name of the person(s) authorized to make representations for the Respondent as well as their phone number and email address. The person authorized to represent the Respondent must sign the letter. Provide a brief history of the entity.

2. Evidence of Respondent's Financial Capability (3 pages maximum)

The Respondent shall provide information sufficient to demonstrate to ELACC that the Respondent has the financial resources, technical capacity, and readiness

to develop the Site. To demonstrate this capacity and track record, Respondents should provide the following:

A. Statement of Financial Capacity. Provide a description and evidence of financial capability of the Respondent to: (a) to fund predevelopment activities; (b) secure construction and permanent loan financing; and (c) provide required equity either directly and/or with capital partners.

B. If applicant is using a loan to finance the project, submit documentation on the relationships with financial Institutions. This could include Letter of Intent from current or previous lenders and/or equity providers.

C. Bankruptcy and Litigation Information. Provide statement indicating whether the Respondent, or parent company or affiliate, has ever been the subject of a voluntary or involuntary petition in bankruptcy. Also provide a statement indicating whether the Respondent or parent company or affiliate has been involved in any litigation within the last ten years. If so, state the date, court jurisdiction and amount of liabilities and assets (for bankruptcy), and final disposition.

### 3. Financial Analysis of the Proposal

A. Sources and Uses for the construction and permanent phase of the project.

B. A 1-year operating budget.

C. A 10-year cash flow projection.

### 4. Qualifications Related to Construction Capacity

Provide a list of the key team members who will conduct the rehabilitation of the House. This may include a Project Manager, Architect, Landscape Architect, Construction Manager or Contractor(s).

### 5. Community and Stakeholder Engagement (1 page maximum)

Describe the Respondent's community outreach plan for this project. Describe strategy to ensure comprehensive engagement with all stakeholders as well as the process by which community input would be documented and addressed.

6. Narrative of Design Renovation Plan for the Building and Site (1 page maximum)

Please describe your renovation plan for the building. Discuss means, methods, techniques, and overall strategy. Describe who will have direct oversight of the rehabilitation process and the safety and site security protocols to be used during the construction process.

7. Narrative of Proposed Community Serving Programming (1 page maximum)

Please describe the type of programming you intend to conduct once the building is rehabilitated and operational.

Please provide information on qualifications and capacity related to past programming of community services.

8. Timeline

Please provide a summary timeline that considers the execution of a formal agreement with ELACC through predevelopment and construction and final lease-up and project stabilization.

9. Letter of Intent Related to Lease Terms and Financial Offer

Please provide a Letter of Intent (LOI) that summarizes your desired lease terms and conditions, any intention to assume future ownership of the improvements, and relevant financial contribution including direct equity and grant funding opportunities.

This LOI will clarify if the applicant would like to do a lease with ELACC or would like to propose that the lease be transferred to the applicant. This LOI will clarify if the applicant would like for the House to be transferred to the applicant.

Selection Process

A 5-person selection committee will be established to review proposals and will include, at minimum, ELACC staff, Metro staff, a person with historic preservation expertise and a community member.

## Scoring Criteria

Applicant scoring will be based on the following criteria:

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|---|------------|
| • Proposed Community Programming              | 30         |
| • Rehabilitation Capacity and Clarity of Plan | 25         |
| • Letter of Intent and Financial Capacity     | 25         |
| • Community Outreach Capacity and Plan        | 20         |
| Total:  | 100 Points |

## Timeline for Selection Process

Presentation at BHNC (to be confirmed)	May 13,2024
RFP available on ELACC's website	May 15, 2024
Community Meeting regarding RFP	May 28, 2024
Walkthrough of the House	May 28, 2024
ELACC RFP outreach	May to July 2024
Deadline for applications	August 1, 2024
Selection Committee meeting to review applications	August 2024
Final selection of applicant	September 2024

Please send all responses to the RFP to this email:

[RFP@ELACC.ORG](mailto:RFP@ELACC.ORG)

## Attachments

Project site plans, interior layout, elevations